

Kentucky

International Registration Plan

Apportioned Registration



Policies and Procedures Manual

Kentucky Transportation Cabinet
Licensing & Registration Branch

IRP Section

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Chapter 1

WHAT IS IRP?



license fees on the basis of fleet miles operated in various jurisdictions.

The International Registration Plan (IRP) is a registration reciprocity agreement among states of the United States and provinces of Canada providing for payment of

This manual was developed to assist you with the most general procedures involved in the licensing of your IRP vehicles in the state of Kentucky. Please visit the IRP Internet site at http://dmc.kytc.ky.gov/irp_home.asp for more information. The site has links to most every related government agency, the entire IRP agreement can be viewed and/or printed, and any needed IRP forms can be viewed and/or printed.

WHO MUST IRP APPORTION REGISTER?

Any operator operating or intending to operate one (1) or more APPORTIONABLE VEHICLE(S) into or through two (2) or more of the member jurisdictions must be IRP registered or purchase Trip Permits for each jurisdiction. For a definition of Apportionable Vehicle, see 601 KAR 9:135, Section 1 on page 5 of this manual.

Chapter 2

APPLICATIONS

All transactions can be done on-line with the exception of new accounts, deletions and weight changes. Please visit



http://dmc.kytc.ky.gov/irp_home.asp for information on doing IRP transactions on-line or contact the IRP office. When transactions are done on-line the only paper document that is required to be mailed to the IRP office is the form 2290.

FORMS

Schedule A- Schedule A is the pre-printed vehicle listing received in the annual renewal packet, which is sent to carriers approximately 6 weeks before their expiration date. Check closely to

verify all information is correct, paying special attention to the accuracy of the Purchase Price column. Mark a line through any vehicles that should be deleted and make any corrections in red ink.

Schedule B- Schedule B is the back side of form TC95-303. A TC95-303 is received in the annual renewal packet. List the previous fiscal year (July through June) mileage, mark an x in the proper column to indicate the mileage to be actual or estimated and mark an x in the box to the left of the jurisdiction name to indicate that you wish to be apportioned for that jurisdiction for the coming year. Mileage from the estimated mileage chart received in the renewal packet should be used for any jurisdiction not operated in the previous fiscal year, but anticipated to be needed on the registration being renewed. A completed schedule G is required for estimated mileage when chart mileage isn't used.

Schedule C- Schedule C (Kentucky Apportioned Registration Supplemental Application) is the front side of TC95-303. Complete the name, address information, mark an x in box to the left of the transaction type of the application, mark an x in the box next to the appropriate type of operation, sign and complete the vehicle information as listed below.

Schedule A and C Column Definitions

1. Base State
2. Vehicle Number Assigned By Applicant
3. Model Year Of Vehicle
4. Make Of Vehicle
5. VIN
6. US DOT Number For Motor Carrier Responsible For The Safety Of The Vehicle
7. Taxpayer Identification Number For Motor Carrier Responsible For The Safety Of The Vehicle
8. Is the Motor Carrier Responsible For The Safety Of The Vehicle Expected To Change During The Registration Year? Answer Y or N.
9. Type Of Vehicle
10. Number Of Axles (Power Unit Only)
11. Seating Capacity (Buses Only)
12. Model Number
13. Empty Weight Of Vehicle (Power Unit Only)
14. Type Of Fuel

15. Weight Of Power Unit, Trailer And Load
16. Purchase Price Of Vehicle
17. Month, Day And Year Vehicle Was Purchased
18. Owner Of Vehicle if Other Than Registrant
19. Title Number Of Vehicle
20. Check If Colorado Mileage is 10,000 Miles Or Less Annually

Schedule G- Answer all the questions, give a detailed explanation for each estimate and sign.

Form 2290- Form 2290 or Schedule of Heavy Highway Vehicles, is an IRS form required to be filed each year on vehicles registered for weights 55,000 pounds and over. For more information about this form, please see the IRS website at: <http://www.irs.gov/formspubs>

Form MCS-150- The federal application for US DOT number. An annual update is required.

Chapter 3 PROCEDURES

NEW ACCOUNTS

Vehicles must be registered at the local county clerk's office with a current apportioned certificate. Forms TC95-1 and TC95-303 must be completed and submitted to the IRP office with proof of Kentucky address (phone or utility bill), MCS-150, form 2290 (if applicable) proof of liability insurance and apportioned certificate. New accounts will be set up to expire approximately 12 months from time of registration.



RENEWAL APPLICATIONS

Renewal notices are mailed from the IRP office about 6 weeks prior to expiration. Schedules A & B, updated apportioned certificate(s), Form 2290 (if applicable), MCS-150 and proof of insurance are required for renewal applications. License plates for any vehicles not being renewed must be returned to the IRP office.

VEHICLE ADDITIONS

TC95-303, Schedule C only, apportioned certificate, Form 2290 (if applicable) and proof of insurance are required.

VEHICLE TRANSFERS

TC95-303, apportioned certificate and form 2290 (if applicable) for added vehicle, license plate or original cab card for deleted vehicle. Vehicle transfer costs vary depending on the involved jurisdictions. Some fees are transferable and some are not.

ADD JURISDICTIONS

TC95-303 or written request is required for adding jurisdictions after the original or yearly renewal application is completed. Fees vary according to involved jurisdictions. All add jurisdiction transactions are charged over 100 %.

WEIGHT CHANGES

TC95-303 or written request is required for weight change transactions. Old plates must be returned.

CAB CARD/PLATE/DECAL REPLACEMENT

Form TC96-167, Affidavit For Replacement, is required for replacement credentials. The fee is \$3.00.

REFUNDS

Full refunds are issued for plates returned unused. Refunds for the unused portion of the Kentucky registration fee are issued for plates returned used.

Chapter 4 FEE CALCULATION

Total Kentucky fees are based on a combination of the ad valorem fee, weight fee and Kentucky mileage percentage. Year of purchase factor changes yearly. Total IRP fee is based on the Kentucky fee and fees for other jurisdictions according to the rates and mileage



percentages for each jurisdiction. For a copy of the current fee schedules, contact the IRP office at 502-564-4120.

Example Fee Calculation

Note: This is a simple fee calculation for only two jurisdictions. In many instances fee calculation involves numerous jurisdictions.

KY Ad Valorem Fee- Purchase Price (\$100,000.00) X Year of Purchase Factor (.00629) = \$629.00

\$629.00 X Kentucky Mileage Percentage (.50) = \$314.50

KY Weight Fee- 80,000 Pound Weight Fee (\$1,410.00) X Kentucky Mileage Percentage (.50) = \$705.00

OH Weight Fee- 80,000 Pound Weight Fee (\$1,340.00) X Ohio Mileage Percentage (.50) = \$670.00

Total KY Fee- \$314.50 + \$705.00 = \$1,019.50

Total IRP Fee- \$1,019.50 + \$670.00 = \$1,689.50

Note: The ad valorem fee is not applicable to any current year purchase and is not prorated.

Chapter 5

RECORD KEEPING REQUIREMENTS



An acceptable source document used to verify fleet mileage is some type of "Individual Vehicle Mileage Record(s)" (IVMR's) which shall contain the following information:

(**This may be, but is not limited to trip sheets, drivers logs, dispatch logs, or bills of lading.)

1. Date of trip (starting and ending);
2. Trip origin and destination;
3. Route of travel and/or beginning and ending odometer or hubodometer reading of the trip;
4. Total trip miles;
5. Mileage by jurisdiction;

6. Unit number or vehicle identification number (VIN), and may include at the discretion of the base jurisdiction the following additional information;
7. Vehicle fleet number;
8. Registrant's name;
9. Trailer number; and
10. Driver's signature and/or name.

These IMVR's may be supplemented by trip sheets, driver's logs, dispatch logs, or bills of lading.

Computer printouts that are merely recaps are **not** acceptable. They must be supported by IVMR's in order to be of value for audit. The operational records must be presented in unit number order, in sequence by date. The mileage recaps used to complete your application should be provided as well.

*****Failure to present the requested mileage records could result in cancellation of your apportion privileges.*****

Be Advised: If drivers logs are your only detailed record of origin and destinations, you **must** keep them to support your IRP application. **DO NOT THROW THEM AWAY!!**

All records **MUST** be retained by the taxpayer for a period of five (5) years.

Chapter 6

KENTUCKY REGULATIONS

KRS 186.050

KENTUCKY STATUTE FOR IRP



(13) (a) The Department of Vehicle Regulation is authorized to negotiate and execute an agreement or agreements for the purpose of developing and instituting proportional registration of motor vehicles engaged in interstate commerce, or in a combination of interstate and intrastate commerce, and operating into, through or within the Commonwealth of Kentucky. The agreement or agreements may be made on a basis commensurate with, and determined by, the miles

traveled on, and use made of, the highways of this Commonwealth as compared with the miles traveled on and use made of highways of other states, or upon any other equitable basis of proportional registration.

Notwithstanding the provisions of KRS 186.020, the cabinet shall promulgate administrative regulations concerning the registration of motor vehicles under any agreement or agreements made under this section and shall provide for direct issuance by it of evidence of payment of any registration fee required under such agreement or agreements. Any proportional registration fee required to be collected under any proportional registration agreement or agreements shall be in accordance with the taxes established in this section.

(b) Any owner of a commercial vehicle who is required to title his motor vehicle under this section shall first title such vehicle with the county clerk pursuant to KRS 186.020 for a state fee of one dollar (\$1). Title to such vehicle may be transferred; however title without proper registration shall not authorize the operation or use of the vehicle on any public highway. Any commercial vehicle properly titled in Kentucky may also be registered in Kentucky, and, upon payment of the required fees, the department may issue an apportioned registration plate to such commercial vehicle.

(c) Any commercial vehicle that is properly titled in a foreign jurisdiction, which vehicle is subject to apportioned registration, as provided in paragraph (a) of this subsection, may be registered in Kentucky, and, upon proof of proper title, and payment of the required fees, the department may issue an apportioned registration plate to the commercial vehicle. The department shall promulgate administrative regulations in accordance with this section.

601 KAR 9:135

KENTUCKY ADMINISTRATIVE REGULATION FOR IRP

RELATES TO: KRS 186.020(1), (3), 186.050(3), (13), 186.051(2), 49 U.S.C. 317

STATUTORY AUTHORITY: KRS 186.050(13), 186.051(3), 49 U.S.C. 31704

NECESSITY, FUNCTION, AND CONFORMITY: 49 U.S.C. 31704 requires each state to participate in the International Registration

Plan. KRS 186.051(3) requires the Transportation Cabinet to establish a system of staggered registration time periods for commercial motor vehicles. KRS 186.050(13) requires the Transportation Cabinet to promulgate administrative regulations concerning the registration of commercial motor vehicles under the Articles of the International Registration Plan. This administrative regulation establishes the procedures to be followed in registering a commercial motor vehicle under the provisions of the International Registration Plan. It further clarifies when a vehicle licensed under the provisions of KRS 186.050(13) shall be deemed to be licensed under the provisions of other sections of KRS 186.050. This administrative regulation establishes the recordkeeping standards required for apportionable vehicles, auditing of the records by the Transportation Cabinet, and the appeal procedure when a disagreement occurs.

Section 1. Definitions. (1) "Apportionable vehicle" means any vehicle, except a recreational vehicle, vehicle displaying a restricted plate, a city pickup and delivery vehicle, a bus used in the transportation of a chartered party, or a government-owned vehicle that:

(a) Is used or intended for use in two (2) or more jurisdictions that allocate or proportionally register vehicles;

(b) Is used for the transportation of persons for hire or designed, used or maintained primarily for the transportation of property; and

(c)1. Is a power unit having a gross weight or registered gross weight in excess of 26,000 pounds;

2. Is a power unit having three (3) or more axles, regardless of weight; or

3. Is used in combination and the weight of the combination exceeds 26,000 pounds gross vehicle weight.

(2) "Base jurisdiction" means the state where:

(a) The registrant has an established place of business;

(b) Mileage is accrued by the registrant's fleet; and

(c) Operational records of the fleet are maintained or can be made available for audit.

(3) "Established place of business" means a physical structure:

(a) Owned, leased, or rented by the fleet registrant;

(b) Designated by a street number or road location;

(c) Open during normal business hours;

(d) In which is located:

1. A telephone publicly listed in the name of the registrant;

2. A person conducting the fleet registrant's business; and

3. The operational records of the fleet or where the records are made available for audit.

(4) "Fleet" means one (1) or more apportionable vehicles.

(5) "International registration plan" or "IRP" means a registration reciprocity agreement among the states of the United States and provinces of Canada providing for payment of license fees on the basis of total distance operated in all jurisdictions.

(6) "Jurisdiction" means a state, territory, or possession of the United States, the District of Columbia, or a state, province, or territory of a country.

(7) "Operational records" means source documents supporting miles traveled in each jurisdiction and total miles traveled such as fuel reports, trip sheets, and logs.

Section 2. Governing Material. (1) The "International Registration Plan, With Official Commentary" issued by the International Registration Plan, Inc. shall govern Kentucky's participation in IRP.

(2) The "Uniform Operational Audit Procedure Guidelines" issued by the Audit Committee of the International Registration Plan, Inc. shall govern:

(a) The recordkeeping requirements of registrants; and

(b) The Kentucky Transportation Cabinet's audit responsibilities under the IRP.

(3) The "Kentucky IRP, Apportioned Registration Manual" issued by the Transportation Cabinet shall be followed by an operator or owner of an apportionable vehicle whose base jurisdiction is Kentucky.

(4) The "International Registration Plan Policies and Procedures Manual" shall be followed by the Kentucky Transportation Cabinet in administering the apportioned registration program.

Section 3. Application for Apportioned Registration. (1) The operator of an apportionable vehicle who operates in more than one (1) licensing jurisdiction shall apply for apportioned

registration of his fleet in those jurisdictions in which he operates and which are members of the International Registration Plan unless he purchases a trip permit from a jurisdiction for each trip into the jurisdiction.

(2) A vehicle, or combination of power unit and trailer having a gross vehicle weight of 26,000 pounds or less and two (2) axle vehicles may be apportioned registered at the option of the registrant.

(3) If Kentucky is the base jurisdiction for an operator of an apportionable vehicle, he shall apply for his apportioned registration in Kentucky.

Section 4. Apportioned Mileage Reporting and Recordkeeping. (1)(a) The fleet miles required to be reported on the application for apportioned registration shall be the fleet miles traveled from July 1 through June 30 of the year immediately preceding the registration year.

(b) The mileage shall be distributed by jurisdiction. For each jurisdiction, whether or not a member of the International Registration Plan, all miles traveled in that jurisdiction by any apportioned power unit, whether the vehicle is empty or loaded, shall be reported.

(c) The mileage to be reported for any motor vehicle power unit which was added to or deleted from the apportioned fleet during the mileage reporting period shall be only those miles generated while it was part of the apportioned fleet.

(d) Mileage shall include the following:

1. Loaded and unladen trips;

2. Intrastate and interstate trips; and

3. Miles operated under trip permits.

(2)(a) An apportioned registrant shall maintain operational records for the current registration year and the three (3) registration years immediately prior to the current year.

(b) The information shall be retained in an individual vehicle mileage record.

(c) The individual vehicle mileage record shall contain the following information:

1. Registrant's name and fleet number;

2. Beginning and ending date of trip;

3. Trip origin and destination;

4. Route of travel for trip;

5. Beginning and ending odometer or hubometer reading of each trip;

6. Total trip miles and mileage;

7. Mileage by jurisdiction for each trip;

8. Vehicle unit number and vehicle identification number; and
9. Driver's name or signature.

Section 5. Proof of Insurance and Certificate of Apportioned Registration. (1) The applicant shall apply to the appropriate county clerk for a certificate of apportioned registration for each vehicle in the fleet and any other vehicle to be apportioned registered.

(2) The county clerk's fee for the issuance of the certificate shall be twenty (20) dollars for each vehicle.

(3) A vehicle owned by a non-Kentucky registrant properly titled in a foreign jurisdiction being leased to a Kentucky based-motor carrier may be registered in the name of the Kentucky based-motor carrier with a copy of the foreign title, a copy of the lease agreement and a copy of the owner's commercial driver's license.

(4) The applicant shall submit proof of insurance to the county clerk at the time he applies for the certificate of apportioned registration.

Section 6. Registration Fees. (1)(a) The applicant shall submit the application for apportioned registration to the Department of Vehicle Regulation for approval. This submission may either be in person or by mail.

(b) Original application shall be made on Transportation Cabinet forms:

1. TC 95-1, Kentucky Trucking Application;
2. TC 95-303E, Schedule C, IRP Apportioned Registration; and
3. TC 95-303E, Schedule B, IRP Apportioned Registration Application.

(c) Renewal application shall be made on Transportation Cabinet forms:

1. TC 95-303E, Schedule C, IRP Apportioned Registration; and
2. TC 95-303E, Schedule B, IRP Apportioned Registration Application.

3. The renewal application may be submitted via electronic format using the Kentucky IRP Internet application located at the following web address:

http://oraweb.kytc.state.ky.us/IRP_Applications.htm.

(d) After the Department of Vehicle Regulation has approved an application, the department shall compute the apportioned registration fee due each jurisdiction under the International Registration Plan.

(e) The applicant shall be given a bill for registration in all jurisdictions which do not bill the applicant directly.

(f) The applicant shall return to the department, either in person or by mail or electronic payment, the bill and a certified check, cashier's check, personal check, business check, or money order made payable to the Kentucky State Treasurer.

(g) If the applicant is required to post a bond pursuant to 601 KAR 1:200 or has had a personal or business check returned for insufficient funds to the Transportation Cabinet by the applicant's bank, the Transportation Cabinet may require the applicant to make payment by cash, certified check, money order, or cashier's check.

(2) The required tax and fee shall be accompanied by proof of payment of the federal heavy vehicle use tax in accordance with the provisions of 601 KAR 9:115.

(3)(a) The Department of Vehicle Regulation shall issue an IRP apportioned license plate, and IRP cab card to the registrant for each vehicle registered under the provisions of the International Registration Plan.

(b) The originally issued IRP license plate shall have a decal, indicating the expiration month and year.

(c) After renewal each year, the registrant shall be issued a new decal designating the year of expiration and a new IRP cab card.

(d) The IRP cab card shall list those jurisdictions to which the registrant has apportioned his registration fees and any other information required by the International Registration Plan.

(e) The original IRP cab card shall be carried in the cab of the vehicle at all times.

Section 7. Supplemental Applications. (1) If an applicant need to add to or delete vehicles from its fleet, the department shall be notified on a supplemental application form TC 95-303E, Schedule C, "Kentucky IRP Apportioned Registration Supplemental Application" or via the Kentucky IRP Internet application located at http://oraweb.kytc.state.ky.us/IRP_Applications.htm. This form shall be used to provide notice of the following:

- (a) A vehicle addition;
- (b) A vehicle deletion;
- (c) A vehicle transfer; or
- (d) A gross weight increase.

(2)(a) A vehicle deletion notice shall be accompanied by the apportioned registration plate and the certificate of apportioned registration.

(b) The registrant may, at the end of the registration month, apply for a refund of the taxes which apply to the unexpired months of the registration year.

(3)(a) If a vehicle is being added by a registrant at the same time he is deleting another vehicle with the same weight within the fleet, the Kentucky registration tax may be transferred from the deleted to the added vehicle.

(b) The Kentucky transfer fee shall be two (2) dollars.

(c) The registrant shall be notified of the transfer fee owed to other jurisdictions.

(4) If the declared gross weight of the vehicle is to be increased, the increased tax owed shall be prorated from the date the increased weight is allowed.

Section 8. Adding Jurisdictions to IRP Registrations. (1) If the operation of a registrant is being expanded to include an additional jurisdiction which participates in the International Registration Plan, the registrant may amend his mileage schedule TC 95-303E, Schedule B, IRP Apportioned Registration Application, to reflect an estimate of miles to be operated in the new jurisdiction.

(2) The mileage percentages for an added jurisdiction shall be computed as added on to the actual mileages earlier reported.

(3) Percentages approved on the original application shall not be changed during the registration year.

(4)(a) If an additional jurisdiction is added during the registration year, all vehicles in the fleet shall be changed to reflect operation in the additional jurisdiction.

(b) The Department of Vehicle Regulation shall send replacement IRP cab cards to the registrant.

(c) Upon receipt of the new cab cards, the registrant shall return the outdated IRP cab cards to the department.

Section 9. Conversion to Apportioned Registration. (1) If a vehicle is registered in Kentucky as a commercial or limited activity vehicle and the registrant intends to convert to an apportioned registration, the registrant shall first

purchase an apportioned registration from the appropriate county clerk.

(2) The current commercial or limited activity license plate shall be submitted to the Department of Vehicle Regulation with the application for apportioned registration.

(3)(a) The applicant shall be given credit for the remainder of the value of his current Kentucky registration.

(b) This credit shall be applied toward taxes or fees due other IRP jurisdictions and collected by Kentucky on the apportioned registration.

(4) All taxes and fees due other jurisdictions and any additional taxes or fee due to Kentucky shall be paid in accordance with Section 6 of this administrative regulation before the apportioned credentials may be issued.

Section 10. Replacement of Credentials. (1) If the owner of a vehicle registered pursuant to KRS 186.050(13) loses his copy of a certificate of apportioned registration, he may obtain a duplicate from the Department of Vehicle Regulation by:

(a) Filing an affidavit upon form TC 96-167, "Affidavit for Replacement County/Affidavit for Nonexchange - County" furnished by the department; and

(b) Paying to the department a fee of three (3) dollars.

(2)(a) If the owner loses a registration plate issued him under the provisions of KRS 186.050(13), he shall report the plate as lost or stolen to his area state police post or local law enforcement agency.

(b) The enforcement agency shall report the loss in the nationwide computer system for the information of all enforcement agencies.

(3) The owner of a lost registration plate shall file with the Department of Regulation the following:

(a) A form TC 96-167, Affidavit for Replacement County/Affidavit for Nonexchange-County;

(b) His certificate of apportioned registration; and

(c) A three (3) dollar fee.

(4)(a) The Department of Vehicle Regulation after review and acceptance of the completed forms shall issue the owner another certificate of apportioned registration and a plate which shall bear a different number from that of the lost plate.

(b) The original copy of the surrendered certificate of apportioned registration shall be maintained by the department.

(5) The department shall forthwith cancel the registration corresponding to the number of the lost plate, and the cancellation shall be reported by the department to the Commissioner of the Department of State Police.

(6) A person finding a lost registration plate shall deliver it to the Department of Vehicle Regulation or to a county clerk for forwarding it to the department.

Section 11. Apportioned Registration of Leased Vehicles. Apportioned registration of a leased vehicle shall be accomplished in one (1) of the following ways:

(1) The owner or lessor may be the registrant and the vehicle may be registered in the name of the owner or lessor. The allocation of registration fees shall be based on the operational records of the owner or lessor. The apportioned license plate and IRP cab card shall be the property of the lessor; or

(2) The lessee may be the registrant and the vehicle may be registered by the lessee in both the owner's or lessor's name and that of the lessee. The allocation of registration fees shall be based on the operational records of the lessee. The apportioned license plate and IRP cab card shall be the property of the lessee.

Section 12. Registration Equivalent. (1) Registration of a motor vehicle under the provisions of KRS 186.050(13) and this administrative regulation shall be equivalent to registration of the motor vehicle under the provisions of KRS 186.050(3).

(2) A privilege afforded a motor vehicle in Kentucky when operating on KRS 186.050(3) registration shall be afforded a motor vehicle in Kentucky when operating on KRS 186.050(13) registration.

Section 13. Audit of Apportioned Registrants. (1) In accordance with the provisions of the International Registration Plan, the Transportation Cabinet, Division of Audit Review shall every five (5) years audit fifteen (15) percent of the apportioned registrants based in Kentucky.

(2) An audit shall be performed in accordance with the "Uniform Operational Audit Procedure Guidelines".

(3) The Division of Audit Review shall in writing notify the apportioned registrant of the date, time, and location of the audit. At least thirty (30) days' advance notice shall be given to the registrant.

(4) Failure of the registrant to make available records required to be kept by the registrant pursuant to Section 4 of this administrative regulation and requested for the audit may result in a penalty assessment of up to 100 percent of Kentucky's registration fees set forth in KRS 186.050 in addition to fees for all other apportioned jurisdictions included in the original application or cancellation of apportioned registration.

(5) If it is determined that the registrant's operational records are not located in Kentucky and it is necessary for the Transportation Cabinet's auditors to travel to where the records are maintained, the registrant shall pay the Transportation Cabinet for the travel expenses incurred by its auditors in accordance with the per diem and travel rates established in 200 KAR 2:006.

(6)(a) If the audit is being conducted on site, the auditor shall conduct and document a preaudit conference with the registrant outlining the following:

1. Operation;
2. Audit procedures;
3. Records to be examined;
4. Sample period; and
5. Sampling procedures.

(b) The motor carrier and auditor shall determine at the preaudit conference who:

1. Has the responsibility for the final acceptance of audit findings; and
2. Should be involved in the close-out conference.

(7) If the audit is being conducted on site, the auditor shall conduct and document a close-out conference with the registrant outlining preliminary findings to include the following:

- (a) Applicable penalty and interest;
- (b) Recommendations;
- (c) Rights of appeal; and
- (d) To whom the audit report should be addressed.

(8)(a) The Transportation Cabinet shall furnish the registrant a letter of audit findings and recap schedules.

(b) If requested, the cabinet shall supply any other work papers to the registrant.

(9) If an audit indicates that additional tax is owed, the Transportation Cabinet shall issue an audit supplemental tax statement.

(10) Within forty-five (45) days of the date of the audit supplemental tax statement, the registrant shall:

- (a) Pay the supplemental tax; or
- (b) Protest in writing to the Transportation Cabinet, Division of Audit Review.

Section 14. Protest or Appeal of Audit Results.

(1) The registrant may within forty-five (45) days of the date of the audit findings, protest in writing to the Transportation Cabinet, Division of Audit Review any portion of the audit.

(2) If the registrant does not protest, the audit or the audit supplemental tax statement shall be final on the beginning of the 46th day.

(3)(a) If a registrant protests pursuant to this section, the protest shall include a supporting statement and documents which:

- 1. Identify the:
 - a. Specific adjustment requested; or
 - b. Portion of the audit being protested; and
- 2. Set forth the reason for making the protest.

(b) If the supporting statement and documents are sufficient to cause the Transportation Cabinet to change the audit or audit supplemental tax statement, the registrant shall be notified of the adjustments to the audit or tax statement.

(c)1. If the supporting statement and documents are not sufficient to cause the Transportation Cabinet to change the audit or audit supplemental tax statement exactly as requested by the registrant in its protest, the registrant shall be notified to attend an information-gathering and protest conference with the Division of Audit Review.

2. The information-gathering and protest conference shall be scheduled to be held within thirty (30) days of the issuance of the written protest.

3. It may be rescheduled twice by either party.

(d) Within twenty (20) days of the information-gathering and protest conference the Transportation Cabinet shall issue the final ruling.

(4) If the registrant desires, he may, within thirty (30) days of the date of the final audit or final audit supplemental tax statement or the Transportation Cabinet's final ruling, appeal to the Kentucky Board of Tax Appeals pursuant to KRS 131.340.

Section 15. Protest or Appeal of Nonaudit IRP Issue. (1) Except for the audit provisions established in Sections 13 and 14 of this administrative regulation, a person aggrieved by an action or decision of the Transportation Cabinet, made pursuant to the provisions of this administrative regulation, shall protest to the Division of Motor Carriers within ten (10) days of the decision.

(2)(a) If a protest is made pursuant to this section, the protest shall include a supporting statement and documents which:

- 1. Identify the:
 - a. Specific adjustments requested; or
 - b. The action of the Transportation Cabinet being protested; and
- 2. Set forth the reasons the protest is being made.

(b) If the supporting statement and documents are sufficient to cause the Transportation Cabinet to change its action or decision, the protestant shall be notified of the change.

(c) If the supporting statement and documents are not sufficient to cause the Transportation Cabinet to change its action or decision as requested by the protestant, the protestant shall be notified to attend an information-gathering and protest conference with the Division of Motor Carriers. The information-gathering and protest conference shall be scheduled to be held within thirty (30) days of the issuance of the written protest. It may be rescheduled one (1) time by either party.

(d) Within twenty (20) days of the information-gathering and protest conference, the Transportation Cabinet shall issue a final decision.

(3)(a) An appeal of any nontax action of the Transportation Cabinet resulting from its actions relating to this administrative regulation shall be in writing and directed to the Transportation Cabinet, Office of General Counsel, 10th Floor, State Office Building, 501 High Street, Frankfort, Kentucky 40622.

(b) An administrative hearing shall be conducted in accordance with the provisions of KRS Chapter 13B.

(4) If a protestant desires, he may, within thirty (30) days of the date of the final decision of the Transportation Cabinet, appeal a tax issue to the Kentucky Board of Tax Appeals pursuant to KRS 131.340.

Section 16. Incorporation by Reference. (1) The following material is incorporated by reference:

(a) Transportation Cabinet form TC 95-1, Kentucky Trucking Application, effective September 1998;

(b) Transportation Cabinet form TC 95-303E, Schedule C, "IRP Apportioned Registration", effective March 2001;

(c) Transportation Cabinet form TC 96-167, "Affidavit for Replacement-County/Affidavit for Nonexchange-County" effective April 1992;

(d) "Kentucky IRP, Apportioned Registration Manual" effective January 1, 1999 and issued by the Kentucky Transportation Cabinet;

(e) "Uniform Operational Audit Procedure Guidelines" effective March 1, 1993 and issued by the Audit Committee of the International Registration Plan, Inc.;

(f) "International Registration Plan, With Official Commentary" effective January 15, 1998 and issued by the International Registration Plan, Inc.;

(g) "International Registration Plan Policies and Procedures Manual" effective April 1994; and

(h) Transportation Cabinet form TC 95-303E, Schedule B, IRP Apportioned Registration Application, effective March 2001.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, as follows:

(a) For the items incorporated by reference in paragraphs (a), (b), (c), (d), (g), and (h) of this subsection, at the Department of Vehicle Regulation, Division of Motor Carriers, 200 Mero Street, Third Floor, Frankfort, Kentucky 40622, Monday through Friday, 8 a.m. to 4:30 p.m.; or

(b) For the items incorporated by reference in paragraphs (e) and (f) of this subsection, at the Department of Fiscal Management, Division of Road Fund Audits, 200 Mero Street, Fourth Floor, Frankfort, Kentucky 40622, Monday through Friday, 8 a.m. to 4:30 p.m. (14 Ky.R. 1710; eff. 3-10-88; Am. 18 Ky.R. 2367; eff. 3-7-92; 24 Ky.R. 398; 909; eff. 11-4-97; 25 Ky.R. 425; 875; 1042; eff. 11-20-98; 30 Ky.R. 1355; 2026; 3-3-2004.)

Chapter 7

PERFORMANCE AND REGISTRATION INFORMATION SYSTEMS MANAGEMENT (PRISM)

What Is PRISM?

PRISM is a cooperative Federal/State safety program designed to identify motor carriers with deficient safety records, and to tie a motor carrier's safety fitness to the ability to register their trucks.

PRISM links the Federal Motor Carrier Safety Administration's (FMCSA) safety information with the state's motor vehicle registration process to achieve two purposes:

- To determine the motor carrier's safety fitness prior to issuing a registration plate, and
- To motivate the unsafe carrier to improve its safety performance through an improvement process and, where necessary, the application of registration sanctions.

The PRISM program includes two major processes – the Commercial Vehicle Registration Process (IRP registration) and enforcement that work in parallel to identify motor carriers and to hold them responsible for the safety of their operations.

The performance of unsafe carriers is improved through a comprehensive system of identification, education, awareness, data gathering, safety monitoring and treatment.

Commercial Vehicle Registration Process:

The International Registration Plan (IRP) commercial vehicle registration process of the states provides the framework for the PRISM program and serves two vital functions. First, it establishes a system of accountability by ensuring that no vehicle is plated without identifying the carrier responsible for the safety of the vehicle during the registration year.

Second, the use of registration sanctions (denial, suspension and revocation) provides a powerful incentive for unsafe carriers to improve their safety performance.

The USDOT number is used to identify both the motor carrier responsible for safety and the individual vehicle registrant (if different). The carrier's safety fitness is checked prior to issuing vehicle registrations. Unfit carriers may be denied the ability to register their vehicles.

Carriers, registrants and owner-operators are given information on safety performance. Concerned carriers can take steps to improve their safety. If an owner-operator or a registrant leases to an unsafe motor carrier, the owner-operator or registrant is notified of the carrier's Motor Carrier Safety Improvement Process (MCSIP) status.



Enforcement:

Enforcement is the means by which carrier safety is systematically tracked and improved. The process is designed to improve the safety performance of carriers with demonstrated poor safety performance through accurate identification, performance monitoring and treatment. When a carrier is identified as needing improvement in safety practices, the carrier enters the MCSIP program. Within MCSIP, carriers with potential safety problems are identified and prioritized for on-site reviews using the Motor Carrier Safety Status (SafeStat) program. SafeStat makes maximum use of Accident, Driver, Vehicle and Safety Management data to develop an overall indicator of carrier fitness that is used to prioritize carriers for possible on-site reviews.

Chapter 8
FREQUENTLY ASKED QUESTIONS

1. Q: Who needs an apportioned license plate?

A: Any vehicle with a registered gross weight exceeding 26,000 lbs. operating outside the state of Kentucky needs an apportioned license plate. In addition, any vehicle doing intrastate hauling outside the state of Kentucky, regardless of registered gross weight, must have an apportioned license plate. In the case of apportioned license plates, intrastate hauling is defined as picking up a load in a state other than Kentucky, then dropping that same load in another location within that state. (Example: pick up a load in Toledo, Ohio and drop that same load in Columbus, Ohio.) In the case of intrastate haulers, vehicles of any weight, with the exception of passenger vehicles, must have apportioned license plates.

**2. Q: What weight apportioned plates are available?**

A: Apportioned license plates are available in the following weights: 6000, 10000, 14000, 18000, 22000, 26000, 32000, 38000, 44000, 55000, 62000, 73280, and 80000. This weight is the combined weight of the truck, trailer and load. This is also known as the taxable weight.

3. Q: What is a 2290? Do I have to have one?

A: The Form 2290 is the Schedule of Heavy Highway Vehicles. It is a tax that is collected by the Internal Revenue Service. You must have a stamped 2290 (showing that the tax has been paid)

for each vehicle that is 55,000 lbs. or greater that you have owned for 60 days or more. Please be aware that the Form 2290 must be in your own name. A copy of the 2290 must be provided to us at the time of your renewal or when you add an applicable truck to your account.

4. Q: It's time to renew my apportioned license plates. What do I need to do?

A: Our office will mail out a renewal packet to you approximately 6 weeks before your expiration date. That packet contains instructions that you should follow carefully. You can either come in to our office (The One Stop Shop), mail us your information, or if you run short on time, you can fax us your information. Our fax number is (502) 564-2950. This function can also be done on our website. For information about using the web, see Question #14.

5. Q: What is a cab card?

A: Your cab card is the official document issued by the state that shows what jurisdictions (states) you are allowed to travel in. The cab card includes specific vehicle information, and cannot be transferred from vehicle to vehicle. The original cab card must be kept in your truck. A photocopy is not acceptable.

6. Q: I need to travel to a jurisdiction that is not on my cab card. What should I do?

A: Our office can add a jurisdiction to your fleet. In order to do this, you must fax us a letter stating your IRP Account Number (can be found on your cab card), the jurisdiction(s) that you want to add, and your return fax number. We will fax you a bill and a temporary permit so that you may travel to that jurisdiction. When we receive your payment we will send you a new permanent cab card that includes the additional jurisdiction(s). This function can also be done on our website. For information about using the web, see Question #14.

7. Q: I've lost my plate/cab card/decal. What should I do?

A: You must fill out a Lost or Stolen Affidavit and fax or send that to us. Please fill out the top of this form, have it notarized, and fax it to (502) 564-2950. Please make a note of your IRP Account Number and your fax number on your cover page. We will fax you a bill and a temporary permit. Carry this permit in your vehicle to make you legal to run. When we receive your payment

we will issue you a new plate/cab card/decal and mail it to you. Follow this link to download a Lost or Stolen Affidavit. This function can also be done on our website. For information about using the web, see Question #14.

8. Q: I sold my truck. Can I get a refund?

A: Yes, you can. You must mail us the plate and original cab card. Also include a note telling us the reason why you are requesting a refund (out of business, truck sold, truck disabled, etc.). You will receive a prorated refund for the Kentucky portion of the fees that were paid. The fees that were paid to other jurisdictions are not refundable. Our mailing address is:

Kentucky Transportation Cabinet
IRP Branch, Apportioned Registration Section
PO Box 2323
Frankfort, KY 40602-2323

9. Q: I sold my truck and bought another one. Can I transfer the license plates from one to the other?

A: Yes, you can. You will need to fill out a Kentucky IRP Apportioned Registration Supplemental Application (Schedule C), and fax that to us along with the apportioned certificate (from your local county clerk), proof of your liability insurance, and a 2290 if your vehicle's combined gross weight is 55,000 lbs. or greater and you have owned it for more than 60 days (see question #3). You can fax all of this information to (502) 564-2950. We will process your application and fax you a bill and a temporary permit. You must return your plate with your payment. When we receive your payment and your plate we will issue you a new plate and cab card. Follow this link to download a Schedule C. This function can also be done on our website. For information about using the web, see Question #14.

10. Q: I sold my truck to my neighbor. Can I transfer the plate to him?

A: No. Apportioned license plates are not transferable from one account to another. Your neighbor will have to obtain his own apportioned license plate.

11. Q: I just bought a new vehicle. Do I have to pay usage tax on it?

A: Usage tax is paid on any vehicle with a combined gross weight 44,001 lbs. and under. This

tax is paid at your local county clerk when you register the vehicle for the first time.

12. Q: How much does an apportioned license plate cost?

A: Cost varies according to weight of vehicle, vehicle type, vehicle year, type of operation and previous year mileage. 80,000 lb. plates may cost approximately \$1,250.00 to \$2,500.00.

13. Q: How can I pay for my apportioned license plate?

A: You can pay with a personal or company check, with cash or with a credit card. There is a fee charged to use your credit card. That fee is based on the amount of the bill. You can also pay for your transactions with ACH Debit (please see question #15).

14. Q: Can I do IRP transactions on the web?

A: Yes you can. In order to have access to our website you must sign up with us. Once we have you set up you will be able to use the web to do your annual renewal, to do cab card and plate replacements, to add vehicles to your account, to add jurisdictions to your account, and to do vehicle transfers. To get started, fill out the Kentucky IRP Web Application Form and fax it to (502) 564-2950. When we receive it we'll send you an email confirmation with some instructions. The website works especially slick when you also use ACH Debit to pay for your transactions. (See question #15)

15. Q: Can I use ACH Debit to pay for my transactions?

A: Yes! In fact, we encourage it. When you sign up for ACH Debit, we can pull your fees directly from your checking account, thereby saving the time that it would take you to mail in a check. The fees are debited from your account in two or three business days. To sign up for ACH Debit, fill out the bottom part of the Kentucky IRP Web Application Form and fax it in to us along with a copy of a voided check.

16. Q: The IRP office faxed me a temporary permit, but I'm afraid to drive my truck without a plate on it. Is this really legal?

A: Yes. It's perfectly legal to haul loads with a temporary permit. If you have a temporary in your truck, then you may drive in any state

without a plate. Temporaries are faxable - you do not need to have the original in your truck.

Chapter 9

CONTACT INFORMATION

Office hours are Monday through Friday EST 8:00 am to 4:30 pm.

Our One Stop Shop for walk-in customers is available Monday through Friday 8:00 am to 4:00 pm.

For more information on our One Stop Shop, please visit our website at :

http://dmc.kytc.ky.gov/onestop_mc.htm



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200 Mero Street
P O Box 2323
Frankfort, KY 40602-2323
Phone: (502) 564-4120
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irp.dmc@ky.gov
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